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MONTHLY · FARM · PRICES – OF · SELECTED · PRODUCTS · IN · TEXAS 1916 – 1938

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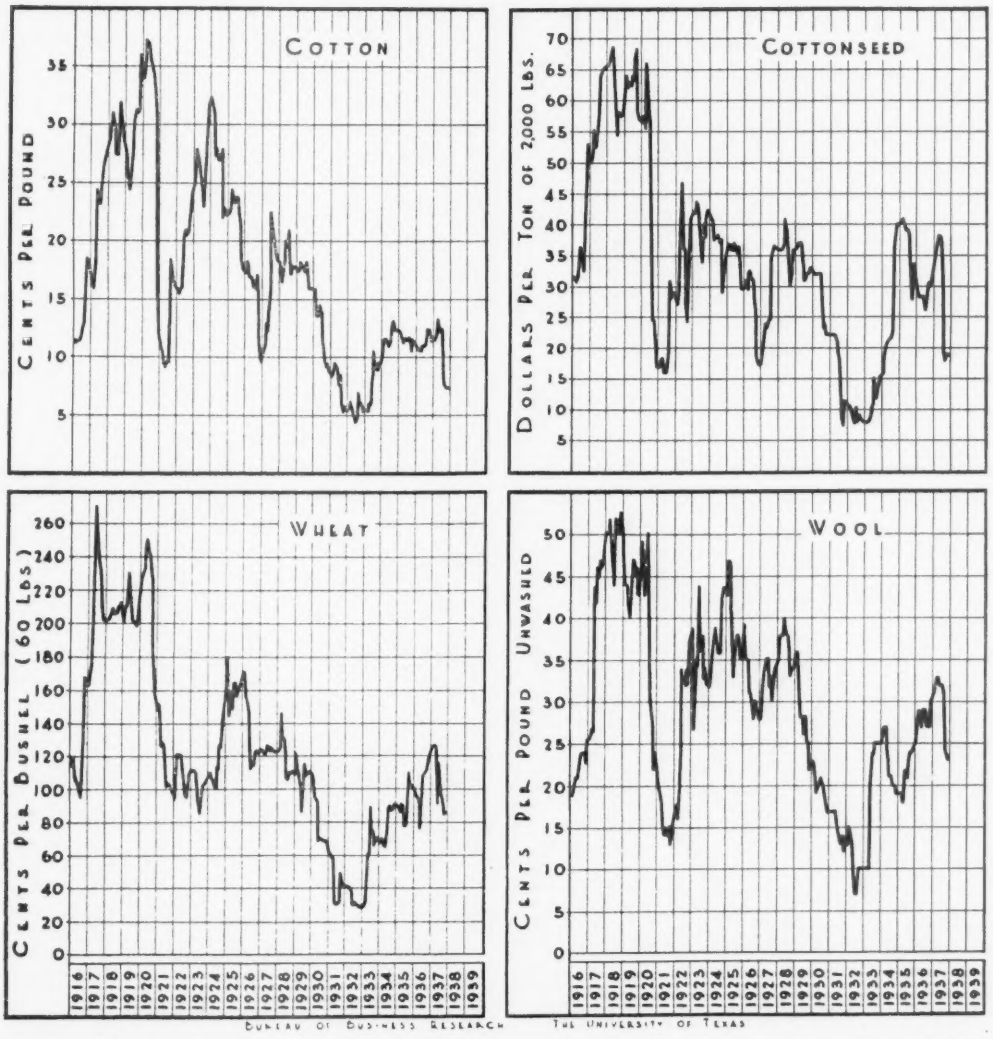

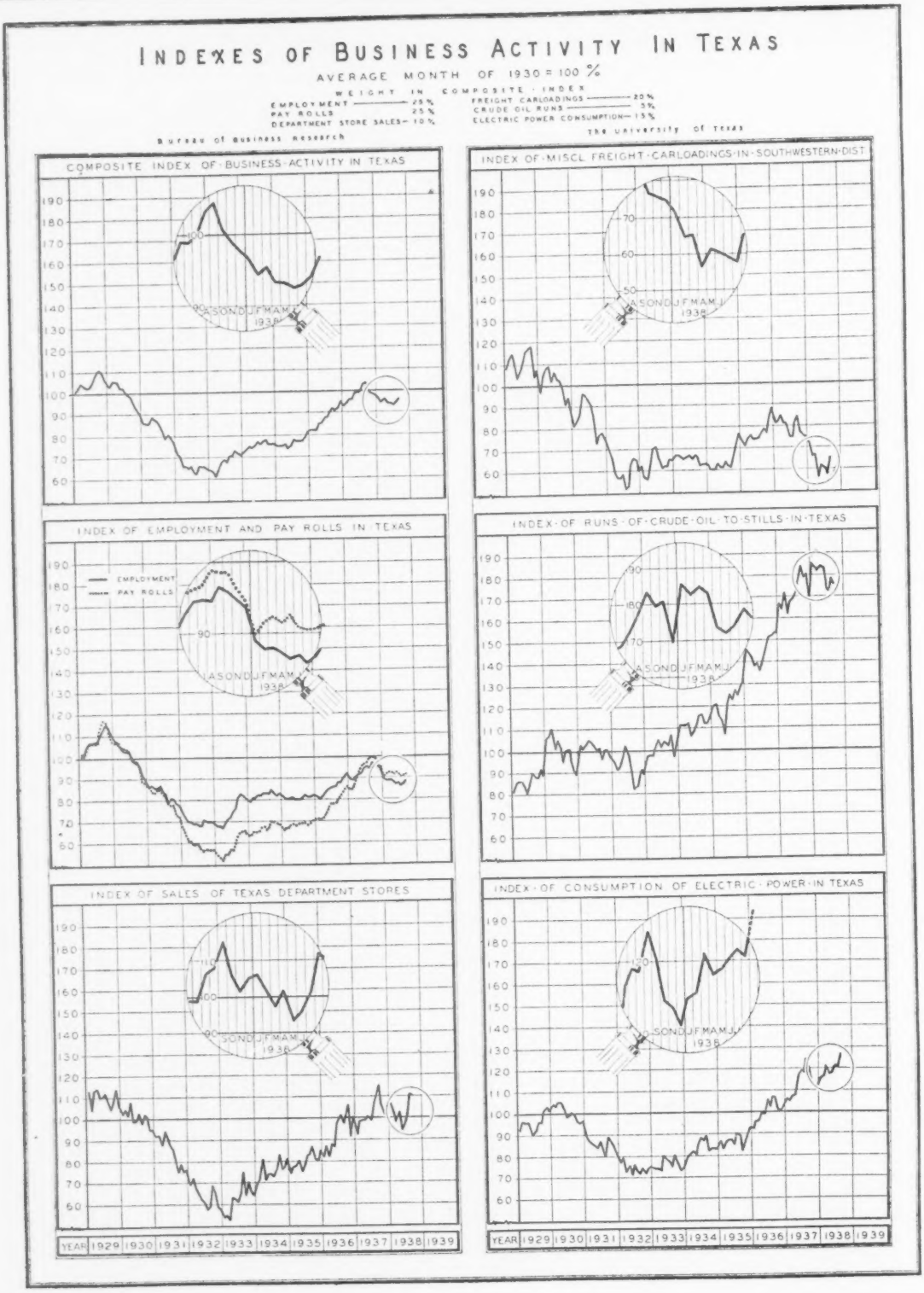
INDEXES OF BUSINESS ACTIVITY IN TEXAS
AVERAGE MONTH OF 1930 = 100 %
WEIGHT IN COMPOSITE INDEX
EMPLOYMENT 25%
PAY ROLLS 25%
DEPARTMENT STORE SALES 10%
FREIGHT CARLOADINGS 20%
CRUDE OIL RUNS 5%
ELECTRIC POWER CONSUMPTION 15%
Bureau of Business Research
The University of Texas
COMPOSITE INDEX OF BUSINESS ACTIVITY IN TEXAS
INDEX OF MISCL FREIGHT CARLOADINGS IN SOUTHWESTERN DIST.
INDEX OF EMPLOYMENT AND PAY ROLLS IN TEXAS
EMPLOYMENT
PAY ROLLS
INDEX OF RUNS OF CRUDE OIL TO STILLS IN TEXAS
INDEX OF SALES OF TEXAS DEPARTMENT STORES
INDEX OF CONSUMPTION OF ELECTRIC POWER IN TEXAS
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1938
YEAR 1929 1930 1931 1932 1933 1934 1935 1936 1937 1938 1939

Business Review and Prospect

With the European war clouds less ominous, government spending approaching a peak, and industrial activity persistently rising, business sentiment has improved greatly in the industrial section of the country since October 1, and the outlook is good for further improvement during the remainder of the year with prospects of extending into 1939 and possibly longer. A number of fundamental problems still await solution, however. Agriculture and the railroads, for example, remain in a serious condition with no basic solution to their problems in sight. Restoration of confidence in the private utility industry also remains to be accomplished although some progress toward a better understanding between government and utility management has apparently been made in recent weeks.

On the brighter side of the business picture may be noted a substantial increase in railroad carloadings, the rise in electric power, steel, and automobile production, and the maintenance of a relatively high rate of activity in the construction industry. As a result of these favorable developments, the various national business indexes have recently registered a sharp rise. Barron's index of industry and trade, for example, rose nearly three points to 65.2 during the week ended October 15, or almost five per cent. An additional substantial rise in this index occurred in the week ended October 22.

Should a constructive policy be evolved for agriculture, public utilities, and the railroads in the United States, and a foreign policy developed for removal of barriers to international trade, a prolonged period of industrial prosperity could readily be envisioned. During the next six months more definite indications of the longer term trends with respect both to the domestic and the foreign situation may be expected to appear.

Texas Business

Industry and trade in Texas during September increased moderately over the preceding month, but the composite index was still substantially below that of September last year. The upward phase of the business cycle in Texas which now appears to be getting under way will probably be more gradual than for the North and Northeast just as the decline here was far less abrupt than in those sections of the country.

During September the composite index after adjustment for seasonal influences rose nearly three points from August, 93.99 to 96.74; but it was still nearly eight points below September, 1937, when the index stood at 104.43.

The indexes of employment and pay rolls gained slightly over August, while the indexes of miscellaneous freight carloadings and electric power consumption gained substantially. There was a slight decline in the indexes of department store sales and runs of crude oil to stills. The detailed figures are given in the following table:

INDEXES OF BUSINESS ACTIVITY IN TEXAS

	September 1938	September 1937	August 1938
Employment	87.93	96.58	86.30
Pay Rolls	90.84	98.65	90.44
Miscellaneous Freight Carloadings (S.W. District)	65.15	84.11	57.94
Crude Runs to Stills	176.38	183.79	178.74*
Department Store Sales	110.27	115.26	111.46
Electric Power Consumption	127.84	120.53	120.92*
COMPOSITE INDEX	96.74	104.43	93.99*

*Revised.

Farm Cash Income

Farm cash income in Texas during September rose substantially over the preceding month, but the increase was less than the usual seasonal gain. As a result the index of farm cash income dropped more than three points from August to September. In comparison with September last year the drop in farm cash income was considerably more abrupt—from 88.4 a year ago to 66.3 during September of the current year, or 25 per cent.

The computed farm cash income (exclusive of Government subsidies) representing about 90 per cent of actual farm cash income was $75,667,000 in September, compared with $100,957,000 during the corresponding month last year. During the base period upon which the index of farm cash income is computed (1928–'32) the average September farm cash income was about $114,189,000. For the first nine months of the current year farm cash income as computed by this Bureau was $274,648,000, compared with $368,331,000 during the corresponding period last year, a decline of more than 25 per cent.

The current relatively unfavorable showing of farm cash income in Texas is mainly the result of the decline in the production and price of cotton. Since this crop dominates farm cash income during this season of the year, unfavorable comparisons are expected to continue through October and November at least.

The indexes of farm cash income for the State and the various crop reporting districts are given in the table below:

INDEX OF AGRICULTURAL CASH INCOME IN TEXAS

Districts	Sept. 1938	Aug. 1938	Sept. 1937	Cumulative Income Jan.–Sept. 1938 (000 omitted)	Cumulative Income Jan.–Sept. 1937 (000 omitted)
1–N	77.5	62.3	79.4	$ 26,001	$ 37,874
1–S	113.0	77.8	165.0	14,888	16,737
2	89.4	67.7	124.0	25,802	29,335
3	53.2	100.1	73.2	16,245	20,487
4	71.4	71.3	89.7	59,819	80,050
5	58.5	59.0	77.0	23,814	32,294
6	70.3	125.2	111.9	11,802	11,123
7	66.2	65.9	131.7	23,741	36,870
8	51.9	53.7	60.0	29,806	43,755
9	58.2	33.0	88.4	14,279	21,177
10	39.5	87.3	84.9	8,348	10,703
10–A	23.1	174.1	44.5	20,223	27,926
STATE	66.3	69.7	88.4	$274,768	$368,331

F. A. Buechel.

For Other Texas Data, See Statistical Tables at the End of This Publication

Wages and Hours in Texas Industries

Texas industry is more favorably situated in relation to the Fair Labor Standards Act of 1938 than is generally supposed. The average hourly wage for manufacturing industries in the State is 59.2 cents; hours of work average 40.7 a week. From special tabulations prepared by the Bureau of Business Research of The University of Texas, it was found that no industry canvassed in connection with the regular employment and pay roll survey shows average earnings below the 25-cents-an-hour minimum set by the law. All important industries are represented.

In making any study of the possible effect of the Fair Labor Standards Act, consideration must be given to the provision calling for the appointment by the Administrator of an industry committee for each industry for the purpose of recommending the highest minimum wage rates for the industry, which will not substantially curtail employment in the industry, and which will have due regard for economic and competitive conditions. Recommendation of the industry committee as to the highest practical wage rate for the industry, between 25 and 40 cents an hour, if approved by the Administrator, becomes the legal minimum rate for that industry. Thus the law has a potential effect upon every establishment engaged in or affecting interstate commerce which pays its employees less than 40 cents an hour.

No attempt will be made in this discussion to define interstate commerce. Determination of the boundaries of that highly controversial subject in its relation to the wages and hours law properly belongs to the Administrator of the Act and to the courts. Mention of any particular industry in this discussion should not be construed to mean that that industry falls within the scope of the Act, and, conversely, omission of any industry should not be regarded as excluding that industry from the operation of the law. Furthermore, this discussion is necessarily limited to the averages prevailing in the various industries. Our obligations of confidence to employers supplying statistical information does not permit reference to earnings or hours of individual establishments, and no information is submitted concerning earnings of individual employees. Therefore, the law may affect employees or establishments having wage rates or working hours below the averages for the industry.

In the food products industry, bakeries, breweries, flour and feed mills, and meat packing plants all have average earnings above 40 cents an hour. Carbonated beverage plants average only slightly less, with 39.3 cents an hour. Other food products industries paying between 25 and 40 cents an hour are confectioneries, 34.2 cents; creameries, 36 cents; ice plants, 29.8 cents; and ice cream plants, 33.3 cents.

In the textile group, no industry surveyed by the Bureau averages as much as 40 cents an hour. However, all are within the 25- to 40-cent range. Included are cotton textile mills, 31 cents; men's work clothing, 31.8 cents; millinery, 39.9 cents; other clothing and apparel, 34.5 cents; and fabricated textile products other than clothing, 33.5 cents.

Planing mills lead the forest products group with an average of 48 cents an hour. Caskets, with 46.2 cents, and furniture, with 45.8 cents, complete the upper bracket in this group. Saw mills average 32.2 cents, and a group comprised of wooden baskets, boxes and barrels averages 25.8 cents an hour.

Among the highest paid wage-earners in Texas industry are those engaged in printing and publishing. Averages in this group range from 56 cents to 97 cents an hour.

Petroleum refining, employing approximately 20,000 workers in Texas, averages 93.9 cents an hour. Though not included in the manufacturing average, crude petroleum production, with about 30,000 workers, averages 94.7 cents. Other industries in the chemical group include carbon black manufacturing, 84.4 cents; paints and varnishes, 51.7 cents; and other chemicals, 50.1 cents.

In the stone and clay products group, only brick manufacturing, with 32 cents an hour, averages less than 40 cents an hour. Cement averages 58.9 cents, while other industries, including marble, granite, stone and concrete products, range from 53 to 63 cents an hour.

All of the industries in the machinery and iron and steel products group are well above the 40-cent limit to which the minimum wage rates may be raised by the industry committees and the Administrator. Foundries and machine-shop products average 63.5 cents; steam-railroad repair shops (although probably not within the scope of the Act), 65.7 cents; structural and ornamental iron, 51 cents. Miscellaneous machinery and iron and steel products average 57.5 cents an hour.

Cotton oil mills, with an average of 31.2 cents an hour; mattresses and bedding, with 56.1 cents; paper products, with 49.2 cents; and truck bodies and trailers, with 50.5 cents, complete the industries covered in the Bureau's survey.

Of nonmanufacturing industries which may be affected, quarrying and nonmetallic mining averages 66.1 cents; public utilities, 67.5 cents; and averages for the various lines of wholesale trade range from 41.9 to 88.5 cents an hour.

Greater need for adjustments will be found in connection with hours of work. To comply with the 44-hour-week provision applicable during the first year, the following industries will have to revise their weekly hours downward: carbonated beverages, 48.2 hours a week; confectioneries, 48.1 hours; creameries, 46.4 hours; flour milling, 50.7 hours; ice manufacturing, 57.4 hours; ice cream manufacturing, 58.4 hours; meat packing, 44.8 hours; and saw mills, 44.9 hours a week. These industries employ about 22 per cent of all employees engaged in manufacturing in the State.

No provision is made in the Act for regulating hours of work through industry committees. The law simply provides for a 44-hour week during the first year, 42 hours during the second year, and 40 hours thereafter.

On the basis of industry averages, it may be stated that approximately 65 per cent of all workers engaged in manufacturing in Texas are already receiving pay at hourly rates averaging more than 40 cents an hour, and that the remaining 35 per cent receive between 25 and 40 cents an hour. It is probable, however, that a comparatively small number of workers may actually receive less than 25 cents an hour, and that both the percentages quoted above would be lowered slightly if industries not

canvassed and the below-average elements within the industries which were canvassed could be taken into account. There also may be a considerable number of nonmanufacturing establishments which will be required to adjust their wage rates upward under the Act, but in the absence of a general coverage of such industries and any information to the effect that they will come under the Act, they have been omitted from this discussion.

The law went into effect on October 24. Its scope and ultimate consequence to industry and labor remain to be seen. It is reassuring to note that Administrator Elmer F. Andrews has approached his task in a spirit of coöperation, although Congress has provided ample power for enforcement of the provisions of the Act. Perhaps a like coöperative attitude on the part of industry would insure an efficient, economical, and reasonable administration of a law which, in one form or another, seems to be inevitable.

ALTON P. VICKERY.

Financial

Since writing the financial article for the September issue of the REVIEW the Czecho-German crisis has been temporarily settled by the so-called pact of Munich. Despite the lessened danger of an immediate outbreak of hostilities, considerable tension still exists, enough at least to prevent any noticeable repatriation of capital funds from the United States.

During the latter stages of the recent crisis, the flight of capital from Europe reached almost unprecedented proportions. The wholesale movement of European currency deposits and securities into dollars carried the leading foreign exchange rates to the lowest levels reached since devaluation of the dollar in January, 1934. From a level of $4.85\frac{1}{2}$ at the beginning of September, the pound sterling lost ground steadily, reaching $4.60 on September 28. The French franc dropped to a new low of $2.58\frac{1}{2}$ cents, equal to 1.53 cents in terms of the old gold dollar. Even the Canadian dollar fell to a discount of $3\frac{1}{2}$ cents.

Following the Munich settlement, foreign exchange rates recovered substantially but they have by no means regained all of the ground lost. Sterling, for example, reacted to $4.84\frac{1}{8}$ on October 1 but subsequently dropped off to $4.73\frac{3}{4}$ on October 17. It should be pointed out that the weakness of foreign exchange rates during recent weeks cannot be attributed wholly to capital flight. In part, a very "favorable" balance of international payments is responsible. During the eleven months ending with August, merchandise exports from the United States have exceeded imports by some $1,100,000,000. This figure compares with an import surplus of $50,000,000 during the corresponding period of the preceding year.

Falling exchange rates have been accompanied by an exceptionally heavy flow of gold to the United States. From August 3 to October 5, the monetary gold stock of the United States increased by $787,000,000, most of this metal being received during the past four weeks. Considerably more gold would have been received via arbitrage transactions had it been possible for exporters to secure shipping space and insurance. At the height of the war scare gold sold in the London market at the record price of 147 shillings an ounce, reflecting not so much a hoarding demand for gold as weakness of the sterling exchange rate. This pirce, together with the low exchange rate would have permitted the purchase of gold in London at $34.25 per ounce which metal could have been exported to New York and sold there at the statutory price of $35, yielding an attractive profit over shipping and handling costs. Arbitragers, however, found it impossible to secure adequate war risk insurance and hesitated to undertake transactions without this coverage.

The heavy capital flight operated to tighten the London money market somewhat but had relatively little effect on the New York market. The discount rate on 90-day bankers bills in London rose from 9/16 per cent to $1\frac{3}{4}$ per cent. About the only effect in New York was a slight rise in the discount rate on Treasury bills from .05 per cent to .14 per cent.

As a result of gold imports and Treasury financing, the position of the commercial banks changed considerably during September. On September 14 demand deposits (adjusted) of the reporting member banks stood at $15,443,000,000, approximately $1,150,000,000 above the low point in March. During the ensuing week these deposits dropped sharply reflecting quarterly income tax payments and public subscriptions to the new Treasury issues of September 15. As the Treasury expends its newly acquired balances, expansion of deposits will be resumed; indeed, on October 5 deposits had recovered to a level of $15,396,000,000.

Largely as a result of Treasury gold purchasing, member bank balances with the Federal Reserve Banks (legal reserves) increased by approximately $400,000,000 from early August to mid-September, reaching $8,425,000,000 at the latter time—a new record high level. Excess reserve balances on September 14 were estimated at $3,130,000,000, close to the high point of the year reached in July. Quarterly income tax payments and subscriptions to new Treasury securities reduced reserve balances and excess reserves sharply during the week of September 15. This reduction, however, can be regarded as purely temporary since Treasury disbursements will shortly return these funds to the banks. On October 5, excess reserve balances were estimated at $3,020,000,000.

Earning assets of the reporting member banks increased materially during the month, almost entirely as the result of bond purchases. Total earning assets of these banks were reported at $21,189,000,000 on October 5, approximately $725,000,000 above the low point of the year reached in July. Of this increase, approximately $490,000,000 represented increased holdings of government bonds and some $200,000,000 increased holdings of miscellaneous securities. The balance reflected a slight increase in short term lending. The expansion of business loans which appeared to be under way in August was checked during September. Such loans were reported at $3,888,000,000 on September 7 and $3,896,000,000 on October 5, an insignificant gain

of $8,000,000. Total short term loans outstanding remained virtually unchanged during the month, standing at $8,240,000,000 on October 5. Apparently the expected cyclical expansion of commercial bank lending is yet some distance away.

JAMES C. DOLLEY.

The New South and Industrialization

THE INDUSTRIALIZED SOUTH AS A PROMINENT UNIT IN AMERICAN ECONOMY

National interest in the economic conditions of the South has in the past largely centered upon the South as a producer of raw materials—cotton fiber, timber, fruits and vegetables, livestock, petroleum and natural gas, sulphur, salt, gypsum, and the like.

The South has long been characterized by the dominance of raw material production in its economy. That an industrial revolution has been brewing in the South has now become apparent, and certain facts of this newer development are so outstanding as to draw the attention of important interests outside the South. It is obvious that certain industries in the South belong in the category of establishments of the pre-War period—cotton textiles, iron and steel at Birmingham, naval stores production, flour milling, and meat packing. These are by no means universally distributed throughout the South.

It has been, however, the establishment of new industries in the post-War period or the rejuvenation of old ones that has centered attention upon the New South. The fact that a very considerable share of this expansion has occurred since 1929 has served to rivet the eyes of industrial leaders upon the South as nothing else could have done.

It has become apparent that in the evolution of the industrial South a rather clear-cut differentiation must be made between the Southeast (the Old Cotton Belt) and the Gulf Southwest. Overlappings between these two sections do occur but the major differences are fairly sharp and quite obvious. Moreover, these major differentiations between the Southeast and the Gulf Southwest are reflected in the production and disposal of raw materials which in turn are functions of the developed natural resources and the geographic environment of these two sections of the South.

For instance, cotton production in the Southeast (outside the alluvial soils along streams and a few local areas such as the Black Belt of Alabama) is a function of the application of commercial fertilizers; furthermore, the generally small fields and dissected topography are not conducive to the efficient use of large-scale power machinery. The Southeast, however, has a very large proportion of the cotton textile production of the entire country. It may be noted, too, that rayon manufacture in the South is confined to the Southeast, the westernmost rayon plant now operating being the du Pont rayon and cellophane establishment at Old Hickory, near Nashville, Tennessee.

Cotton production in the Gulf Southwest is a function of wide stretches of rich and level lands—the alluvial lands of the Mississippi lowland country, the Texas Prairies, and the sub-humid plains of western Texas and southwestern Oklahoma. These lands do not require the application of costly fertilizers; the uniformity of the smooth topography and large fields readily permit the effective use of power machinery. The textile industry, however, has not been developed in the Gulf Southwest to anything like that of the Southeast.

A highly important natural resource of the Southeast is timber—a function of the humid climate; the Gulf pine forests extend west of the Mississippi well into the three or four tiers of counties of East Texas. Lumber production and the making of naval stores from the Southern yellow pine have long been important enterprises. The revolution in the paper industry in the United States in the post-War period, however, has concerned itself largely with the utilization of the Southern Pines. In this group of industries of the industrialized South the vanguard has been the large-scale production of Kraft paper, but already bleached pulp has become important. Industries utilizing paper products for bags, containers, etc., are of growing significance in the Southeast.

The manufacture of cottonseed oil products is important in the two sections of the South, but it appears that these industries in the Gulf Southwest are expanding more rapidly than in the Southeast.

Although corn can be grown in the Mississippi lowlands, the large production of feed crops and especially the grain sorghums becomes important west of the timbered lands of Texas. Certain leguminous forage crops such as velvet beans are important in portions of the Southeast; yet the large production of grain sorghums, especially in Texas and Oklahoma, is paralleled by the increased importance of the livestock industry.

Truck farming and production of fruits, including citrus in Florida, have long been important as enterprises characteristic of more or less local areas well adapted to these crops. In recent years these types of production have been making considerable headway in the Gulf Southwest; in this section canning of these products is becoming an important industry—the importance of which is reflected in part by the recent establishment of two can manufacturing plants in Houston and one in New Orleans.

Great contrasts also appear between the Gulf Southwest and the Southeast with respect to mineral resources. The Great Warrior coal field in the southern Appalachian coal lands extends this very important resource into northern Alabama. There in the Birmingham area with iron ore and limestone for fluxing purposes has grown up an important iron and steel industry which just now seems to be in process of rejuvenation. The phosphate industry of the Southeast has long been important in the supplying of commercial fertilizers which that section so sorely needs.

The really distinguishing features of mineral endowments, however, are the vast reserves of petroleum, natural gas, sulphur, salt, cement materials, limestone and gypsum supplies which occur in the Gulf Southwest.

It has been petroleum more than anything else that has contributed to the growth of industry in the Gulf

Southwest; the comparatively large reserves of petroleum and the continuous application of a more efficient technology in refining point to a growing importance of the oil industry in the Gulf Southwest. The economics of natural gas—as a preferred fuel for certain industries, as a source for motor fuel, for carbon black, and as a raw material for certain chemical industries—and especially its conservation will command increasing attention in the near future.

The coming of the very important chemical industry into the Gulf Southwest is based in part upon the vast reserves of certain non-metallics, and in part upon natural gas or refinery gases. Natural gas and refinery gases are not only used as fuels for those chemical industries; they are also used or are to be used as raw materials, a development of momentous implications.

New Industrial Plants in the South

The complete list of new industrial undertakings already established in the South during the past two or three years and of the plants which apparently will be established in the next year or so reflect the operation of factors noted in the preceding discussion.

For instance, new plants in Louisiana number more than twenty. While most of these are not large, involving investments estimated at from $150,000 to $400,000, four of them represent investments estimated at $1,000,000 or more each. Largest of these is that of the Southern Kraft Corporation at Springhill, Louisiana, whose $6,000,000 plant is to manufacture sulphate pulp. Second in size as reported is the $5,000,000 plant du Pont is establishing at Baton Rouge. It is reported that Standard Oil of Louisiana has enlarged the facilities of its refining plants at Baton Rouge to the extent of a cost of $3,300,000 while the Solvay Process Company (subsidiary of Allied Chemical and Dye) at the same place has added to its $7,500,000 heavy alkalies plant a million dollar chlorine plant. Still other new plants in Louisiana are engaged in the manufacture of motor fuel, asphalt, sugar, and insulating board.

In Alabama new plants center in two areas: Mobile and Birmingham. New plants reported at Mobile include a $5,000,000 sulphate pulp plant, a $4,000,000 aluminum plant, and a $2,000,000 plant of National Gypsum Company for the manufacture of insulating board.

In Georgia new plants as reported include $6,500,000 for pulp and paper products, $2,800,000 for rayon, and a $2,000,000 glass plant.

Florida has had an astounding development in providing facilities for the manufacture of sulphate pulp—$26,660,000 estimated investment in four plants.

Even South Carolina has had a large expansion in sulphate pulp plants—Southern Kraft Corporation with an $8,000,000 plant at Georgetown and the West Virginia Pulp and Paper Company with a $5,000,000 investment at Charleston.

In North Carolina this same pattern in new industries continues—sulphate pulp, paper containers (with a $4,500,000 plant at Plymouth), rayon, and in addition a million dollar extension of the Ethyl-Dow Company's bromine plant at Wilmington.

In Virginia the pattern is similar to the other States previously mentioned—sulphate pulp, cellophane, a rayon plant with an estimated capital investment of $10,000,000 and with carbon bisulphide and acetylene plants thrown in.

In Maryland, however, the pattern changes; new plants there center about the fertilizer industry, with du Pont building a $2,000,000 sulphuric acid plant at Baltimore.

In Tennessee the pattern is again somewhat different—rayon, paper, phosphates, and the $8,000,000 plant of the Tennessee Eastman Corporation at Kingsport for the manufacture of acetate cellulose.

In Texas new plants reflect a greater variety of enterprises than in any other State in the South. They range from a large number of canning plants especially concentrated in the Lower Rio Grande Valley, meat packing plants, cottonseed oil products, Kraft paper, bleached sulphate pulp, sodium sulphate (salt cake), carbon black, motor fuels, chlorine, cement, and the like.

The Cabot carbon black plant recently established at Monahans is a new plant in a new district for carbon black production. An outstanding new item in pulp production is the Houston plant of the Champion Paper and Fiber Company, together with its associated industries. The million dollar addition of the Southern Alkali Corporation at Corpus Christi for making chlorine is outstanding in adding another product to the growing list of manufactured commodities made in Texas.

It is reported that Carbide & Carbon Chemicals Corporation, a unit of Union Carbide & Carbon Corporation, is building a $2,500,000 chemical plant at Texas City; this plant will synthesize commercial products from cracked refinery gases. Later, plans call for the enlargement of this unit to a $4,000,000 investment.

Elmer H. Johnson.

Current Manufacturing Developments

Activity in building and construction in Texas during the months of July, August, and September, is reflected in the establishment of a particularly large number of firms manufacturing lumber, mill work, roofing, brick, and other building materials.

The next largest group of new manufacturing industries is represented by firms producing oil field tools and machinery. Of eleven such manufacturers, five are branch plants with home offices in other states.

According to the United States Census of Manufactures for 1935, Texas, with 368 plants for the printing and publishing of newspapers and periodicals, ranked sixth among the states in the number of plants of this type. The total for the United States is 8,879. Texas ranks tenth in number of establishments engaged in publishing books, music, and job printing with 288 firms out of a total of 10,961 for the entire country. Of the seven additional firms located in the State during the summer months, only one, The Caxton Printers, Ltd., Dallas, lists its home office as out of the State. A charter has been granted the K.V.P. Company, Houston, for the manufacture of paper.

The list of 160 mills in Texas manufacturing cottonseed oil and cottonseed by-products has been increased

by three since the first of July of this year. Of the total of 163, only 27 are listed as refineries of edible oil.

Twelve new establishments for the manufacture of foods or beverages have been located in the State during the last three months, including two canning plants and one manufacturer of dairy products.

The following list of manufacturers received charters during the months of July, August, and September and are listed alphabetically by plants:

The Adjusta-Lite Venetian Blind Company, Waco; Allegheny Ludlum Steel Corporation, steel and iron, Houston, home office, Pennsylvania; American Beauty Mayonnaise Company, Houston; The Argonauts Corporation, printing-publishing, Houston; The Armstrong Company, Dallas, home office, Detroit, Michigan; Atlanta Canning Company, Inc., Atlanta; Big-D-Texas Stove Company, Dallas; Big Spring Cotton Oil Company, Big Spring; C. L. Bobbins Lumber Company, Austin; The Caxton Printers, Ltd., Dallas, home office, Caldwell, Idaho; Champion Laboratories, Inc., San Antonio; Coast Line Manufacturing Company, Inc., Harlingen; Consolidated Candy Company, Inc., Dallas; Consumers Cotton Oil Company, Dallas; Cook Manufacturing Company, Dallas; Corsicana Coca Cola Bottling Co., Inc., Corsicana; Coyle Corporation, Houston; Crowe Specialty Company, Inc., Corpus Christi; Double Cola Bottling Company, Dallas; East Texas Barq's Bottling Company, Tyler; Eastwood Lumber Company, Houston; Electric Pump Company, Fort Worth; Flash-O-Lene Corporation, Corpus Christi; General Clay Manufacturing Company, Alice; Gribble Stamp and Stencil Company, printing and publishing, Houston; Hiram Garner Wines, Inc., McAllen; Jimmy Line Uniform Company, clothing, Houston; Jones and Laughlin Steel Products Company, Houston, home office, Pittsburgh, Penn.; K.V.P. Company, paper, Houston; Kelsay Lumber Company, San Antonio; Lamesa Cotton Oil Mill, Lamesa; L. G. S. Tools, Inc., Austin, home office, Dover, Delaware; McGraw Roofing Company, mining and manufacturing, Austin; "M" System Corporation, Fort Worth; Martin Brick Company, Coleman; George S. Mepham Corporation, Houston, home office, St. Louis; Miller Printing Company, Temple; Novelty Peanut, Inc., food products, Dallas; A. C. Odem Corp., steel and iron products, Port Arthur; Oil Field Machine and Supply Company, Houston; Owens-Illinois Glass Company, Houston, home office, Toledo, Ohio; Parnass Hat Manufacturing Company, Dallas; Republic Steel Corporation, Houston, home office, Cleveland, Ohio; Rivers-Jersig Company, Inc., San Antonio; The Rouse-Stuart Company, Inc., canning of fruit juice, Harlingen; Thomas M. Royal and Company, Beaumont, home office, Philadelphia, Pennsylvania; Sanders Housing Company, San Antonio; The Schil-Vord Company, Inc., San Antonio; H. C. Smith Oil Tool Company, Dallas, home office, Compton, California; South End Mill Work Company, Houston; South Texas Materials Company, mining and manufacturing, Corpus Christi; Southern Bronze, Inc., Fort Worth; Southwestern Microfilm, Inc., Dallas; S. S. Oil Treating and Equipment Company, San Antonio; Strother Shoe Repair, Inc., Fort Worth; Texas Cake and Meal Company, Dallas; Texas Newspaper Coöperative Committee, printing and publishing, Dallas; Texas Petroleum Register and Report Service, Inc., Austin, printing and publishing; Texas Pharmacal Company, drugs, San Antonio; Tranin Egg Products Company, Dallas, home office, Kansas City, Missouri; Unique Foods Company, Inc., Houston; Universal Chemical Company, Odessa; Warner's Incorporated, window shades, etc., Austin; Wheatley Mayonnaise Company, Dallas, home office, Louisville, Kentucky; Wilson and Bennett Manufacturing Company, Port Arthur, home office, Chicago, Illinois; Wright Bottling Company, Fort Worth; and Wyckoff Laboratories, Inc., Waxahachie.

CLARA H. LEWIS.

A Cotton Policy for the United States

Vital facts and fundamental economic principles and relationships must eventually form the basis of any sound cotton policy for the United States. The cotton problem is a major problem in the United States because its solution offers the key to many of the other agricultural ills. Cotton occupies this central position in the agricultural problem because it is the major cash crop of the United States exporting a large proportion of its total production. Huge markets thus created in the South make possible the utilization of advantages for specialized regional production throughout the United States.

A brief summary of facts, principles, relationships, and basic statistical data are presented herewith. The outline of a cotton policy presented is based on these data. The economic principles and relations and available facts were first presented in 1933; those are repeated here and supplemented with important facts and statistical data which have developed between 1933 and 1938. This method of presentation is used in order to secure advantages of historical perspective.

FACTS PRESENTED IN 1933

"Interrelations between the various branches of the cotton industry are so vital it is futile to make a policy for one branch without coördinating it with requirements of sound policies of other branches of the industry. The cotton industry is highly regional, it is true, but at the same time a policy for the cotton industry may greatly affect the welfare of other regions not engaged in any branch of the industry. A policy to reduce cotton production to a domestic basis might, for instance, upset Corn Belt agriculture—and the industrial program of the North and East. Thus, instead of being merely a regional problem, the cotton problem is both interregional and international.

"Cotton is grown on approximately 2,000,000 of the 6,300,000 farms in the United States. Cotton is strictly a cash crop. It enters almost entirely into commerce. It is the most important raw material for the great textile industry which employs more people than any other manufacturing industry. The United States produces over half the world's supply of cotton (57 per cent), and that supply dominates world markets. Spinners are anxious to build up good-will for their products, but to build up good-will the spinner must have a dependable supply of the same quality of cotton at a competitive price year after year. The large, constant

[1]See Tex. Bus. Review, Oct., Nov., Dec., 1938, also Oct., 1937.

supply of American cotton has given it a price advantage of no little consequence.

"Very pronounced shifts are taking place from high to low cost producing areas, especially to the big, interior, rich, level, sub-humid plains, such as the Gulf Southwest in the United States, the Chaco in the Argentine, and the Punjab in India. The fact that record supplies of raw cotton exist now with millions of people inadequately clothed indicates that a large part of the trouble lies somewhere between the farmer and the ultimate consumer and not in over-production of raw cotton.

"The Federal program of restriction of cotton production is undoubtedly putting foreign producers in a stronger competitive position in world markets by aiding them to get the advantages of volume in both production and marketing of their cotton.

"This increasing spread between the price of American cotton and foreign growths, due to above-market-price loans, is causing widespread substitution of other growths for American cotton."

Facts in 1938

(1) The effort to raise prices and secure farm prosperity through planned reduction of cotton production in the United States has been thwarted by increased production in foreign countries.

(2) Normal cotton production abroad has risen about 5,000,000 bales since 1933, against a reduction of about 3,000,000 bales in the United States.

(3) The United States has lost foreign markets for cotton to the extent of about 4,000,000 bales.

(4) World supplies of all cotton, including American, are greater relative to demand than at any other time in a hundred years.

(5) Prices of American cotton in world markets are lower than at any time in history.

(6) It is possible for foreign cotton growers to capture essentially all of America's foreign cotton markets.

(7) Production of synthetic fibers is increasing at the rate of over 300,000,000 pounds per year; prices are declining to the point where prices of staple fiber are little above that of cleaned cotton; the quality is being greatly improved; and in some countries it has already cut deeply into the demand for cotton.

(8) The average annual farm cash income from the sale of lint cotton during the ten years ending in 1929 was $1,243,000,000. At present prices the crop of 1938–1939 will bring less than $500,000,000, a reduction of more than 50 per cent.

(9) Loss of markets and present low prices for cotton have aggravated a distressing situation in the South which must be remedied in public interest.

(10) Technological improvements, especially in the use of mechanical power on farms, adaptation of large labor-saving machines, and the more efficient use of fertilizer are shifting areas of economical cotton production and creating unemployment.

(11) Income of cotton growers from the sale of cotton is further out of parity now than at any time in history.

(12) The Federal Government now has over 8,500,000 bales of cotton under the form of loans above market price.

Fundamental Economic Principles Involved

The following fundamental economic principles, as outlined in 1933, must govern any program designed to solve present cotton problems.

(1) A sound farm program to lower costs of production of cotton and maintain volume of production is the only way to increase the net income of farmers permanently. Costs of cotton production can be lowered by:

(a) Better farm management practice, and

(b) Free adjustment and concentration of cotton production toward the areas of lowest cost.

(2) The surest and best way to raise the price of American cotton absolutely and relative to other growths is to improve the quality of it.

(3) The spread between what the farmer gets for his raw cotton and what the consumers pay for the finished goods is of major importance in determining the ultimate demand for cotton.

(4) Erection of barriers of any description which prevent the free flow of American cotton into world markets will tend to destroy the cotton industry.

(5) Advantages derived from large-scale, specialized regional production in the United States explain our large per capita production and high standards of living.

Major Item in the Cotton Program

Loss of markets and low prices for cotton, especially in terms of relative buying power, along with other facts and conditions, have created a situation demanding a sound, aggressive program to raise per capita income among the masses of cotton growers by increased efficiency and greater opportunity for production.

The needless reduction of natural productivity of farm land in the cotton growing areas, the lack of knowledge of scientific agriculture, of the economics of agriculture, and of scientific farm management are of vital concern to the Nation and are essentially a matter of education. The first item, then in a comprehensive, constructive program for the cotton region is to put agriculture on a sound economic basis. This can and should be done by devoting present Government subsidies for a specified period, let us say, five years, toward constructive development rather than control. It is proposed that farmers be paid to follow the best type of agriculture practice for their region adjusted to particular family requirements and equipment. In order to qualify for participation in benefit payments for this purpose farmers should be compelled to follow an adequate program of soil conservation and soil building and to adopt a properly balanced program of farm enterprises to secure maximum use of available labor and capital. This policy alone will secure all the production control that is desirable.

The program must provide ample means for research and education to discover new uses and new markets for cotton and new crops and farm enterprises to fit into an agricultural economy where cotton is the major enterprise. This part of the program is especially important now in view of the uncertainty of the future of the cotton industry. The provision in the 1938 Agricultural Adjustment Act creating four regional research laboratories to find new uses and markets for surplus agricultural products is most constructive. There should be, in addition, a strong program to find crops supplementary to other farm enterprises of the region, and

they should be as nearly non-competitive as possible with enterprises of other regions.

Since benefit payments are to be made only to those who adopt a sound farm program and improved farm management practice, the evil effects of making benefit payments on the basis of past history will be eliminated. This will leave farmers free to adjust areas of production in the light of relative costs.

The program should provide necessary means for improving the quality of American cotton. An efficient cotton classing service should be available to every cotton grower at a nominal cost before he sells his cotton. The Smith-Doxie Act to provide Federal classing service is constructive and should be extended. Adequate market information should be made available to every farmer.

The program should provide the necessary means to assure an adequate seed supply of the best varieties at low cost.

Improvement in the quality of ginning at lower cost should be provided for in an adequate program of research and service.

Cotton Merchandising

Success of a program for efficient cotton production as is outlined above will depend in no small measure on the maintenance of: (1) a system of marketing which will correctly and speedily interpret manufacturers' demands for quality to the farmers in terms of premiums for desirable qualities and discounts for poor qualities; (2) a strong, aggressive, widely distributed, efficient, well financed marketing system to push American cotton in world markets.

Efficient production and efficient marketing must be rendered effective by giving American cotton free access to world markets on a competitive price basis and by making it possible for foreign buyers to pay for American cotton with goods in international trade, which means to say that loans on cotton above market should be discontinued and tariffs greatly reduced. In an exchange, industrial economy, security of supply (ever normal granary) is attained through the free flow of goods rather than by accumulating them. Security in this type of economy lies in easy access to many sources of supply, to stocks in trade channels, to goods in process of manufacture, and to goods in the hands of wholesalers and retailers. In an industrial economy abundance and security lie in keeping production machinery functioning and not by stagnating it. Artificial barriers of whatever nature tend to thwart the advantages derived from specialized regional production. They are essentially tribute levied on consumers and producers of non-protected goods for the benefit of special groups. A five-year program of reduction of these restrictions should be linked with the reduction of farm benefit payments.

Cotton Manufacturing

Fundamentally, cotton manufacturing is a middleman process between the cotton growers and the consumers of cotton goods. It is the avenue through which cotton growers find markets for their product. A constructive policy should find and encourage every means of lowering costs of manufacture, of improving quality of products and of services.

The major fact limiting the demand for raw cotton is the price the consumer must pay for the finished goods. A sound cotton program should insist on sufficient competition in every branch of the industry to insure that no group is able to maintain the prices of its services and products above competitive levels through monopoly control. Research of the regional research laboratory devoted largely to cotton should aid greatly here.

Cottonseed Industries

Cottonseed and cottonseed industries are of tremendous importance in the cotton-growing region and are inseparably linked to cotton production, the cottonseed alone being worth about one-seventh of the value of the lint. A wise cotton policy cannot be framed without giving due consideration to the requirements and potentialities of this large and growing series of industries based on cottonseed and cottonseed products.

Interrelationships

The American cotton-growing region is not a thing apart from the rest of the united States. On the contrary, it is a very vital part of it, and its exceptional international aspects and relations give it a special significance in interregional relationships. It is not proposed that cotton growers be given undue consideration; however they might deserve it. On the other hand, it is strongly urged that the most constructive program for other regions must include a sound solution of the cotton problem.

A. B. Cox.

COTTON BALANCE SHEET

Indicated supplies of cotton in the United States, October 1, were 22,089,000 bales, compared with 20,041,000 last year, 15,072,000 bales two years ago, and a previous all-time high of 21,007,000 bales in 1931.

The increase of supplies of cotton in the United States, October 1 from October 1, 1937, were 2,048,000 bales. Stocks in European ports and afloat to Europe were 322,000 bales more than last year.

The large increase in supplies of American cotton indicates a lower price than last year. This is especially true since demand so far this year has been less than last year; supplies of foreign cotton have been increased; and the price level of all commodities have gone down.

As a matter of fact, dollar prices on October 8 were 75 points above the price on the same date last year. Why is this? Undoubtedly the big reason is the fact that the Government now controls by way of loans above market price nearly 9,000,000 bales. This leaves a free supply in the United States of only about 13,000,000 bales.

Price calculations based on supply and demand figures including Government loan cotton indicate a New Orleans spot price for middling 7/8 of between 5.75 and 6.00 cents.

SPINNERS MARGIN

Spinners ratio margin on American cotton based on the price of 32's twist yarn in Manchester and middling 7/8 inch spot cotton in Liverpool averaged 194 in September compared with 189 in August and 234 during September last year. The pence margin averaged 4.48d in September compared with 4.66d during August and 7.04d during September last year.

COTTON BALANCE SHEET FOR THE UNITED STATES AS OF OCTOBER 1, 1938

(In Thousands of Running Bales Except as Noted)

	Carryover Aug. 1	Imports to Oct. 1†	Government Estimate as of Oct. 1*	Total	Consumption to Oct. 1	Exports to Oct. 1	Total	Balance Oct. 1
1929–1930	2,313	49	14,915	17,277	1,105	952	2,057	15,220
1930–1931	4,530	9	14,486	19,025	746	1,269	2,015	17,010
1931–1932	6,369	13	16,284	22,666	889	769	1,658	21,008
1932–1933	9,682	14	11,425	21,121	897	1,186	2,083	19,038
1933–1934	8,176	23	12,885	21,084	1,088	1,400	2,488	18,596
1934–1935	7,746	19	9,443	17,208	714	706	1,420	15,788
1935–1936	7,138	14	11,464	18,616	859	728	1,587	17,029
1936–1937	5,397	22	11,609	17,028	1,205	752	1,957	15,071
1937–1938	4,498	14	17,978	22,490	1,206	838	2,044	20,446
1938–1939	11,533	29	12,212	23,774	1,095	590	1,685	22,089

The cotton year begins August 1.
*In 500-pound bales.
†In running bales, counting round bales as half bales.
NOTE: The figures have been revised in accordance with the revisions made by the United States Bureau of Census.

SEPTEMBER SHIPMENTS OF LIVE STOCK CONVERTED TO A RAIL-CAR BASIS§

	Cattle		Calves		Hogs		Sheep		Total	
	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937
Total Interstate Plus Fort Worth¶	4,328	4,002	1,694	1,838	589	638	1,067	1,240	7,678	7,718
Total Intrastate Omitting Fort Worth	428	787	97	144	37	45	416	664	978	1,640
TOTAL SHIPMENTS	4,756	4,789	1,791	1,982	626	683	1,483	1,904	8,656	9,358

TEXAS CAR-LOT§ SHIPMENTS OF LIVE STOCK, JANUARY 1–OCTOBER 1

	Cattle		Calves		Hogs		Sheep		Total	
	1938	1937	1938	1937	1938	1937	1938	1937	1938	1937
Total Interstate Plus Fort Worth¶	39,238	45,237	8,196	8,201	5,366	5,891	8,889	9,179	61,689	68,508
Total Intrastate Omitting Fort Worth	6,188	6,473	1,137	1,156	470	443	959	1,361	8,754	9,433
TOTAL SHIPMENTS	45,426	51,710	9,333	9,357	5,836	6,334	9,848	10,540	70,443	77,941

§Rail-car Basis: Cattle, 30 head per car; calves, 60; hogs, 80; and sheep, 250.
¶Fort Worth shipments are combined with interstate forwardings in order that the bulk of market disappearance for the month may be shown.
NOTE: These data are furnished the United States Bureau of Agricultural Economics by railway officials through more than 1,500 station agents, representing every livestock shipping point in the State. The data are compiled by the Bureau of Business Research.

SEPEMBER CREDIT RATIOS IN TEXAS RETAIL STORES

(Expressed in Per Cent)

	Number of Stores Reporting	Ratio of Credit Sales to Net Sales		Ratio of Collections to Outstandings		Ratio of Credit Salaries to Credit Sales	
		1938	1937	1938	1937	1938	1937
All Stores	71	67.3	65.9	34.9	37.2	1.0	1.0
Stores Grouped by Cities:							
Abilene	3	61.8	62.8	26.5	30.0	1.6	1.4
Amarillo	3	63.4	60.2	38.4	35.4	1.7	1.4
Austin	6	61.5	60.6	39.6	41.1	1.0	0.9
Beaumont	3	69.7	65.6	37.3	39.1	1.1	1.2
Dallas	11	73.7	72.2	34.3	37.7	1.0	0.9
Fort Worth	7	66.8	64.3	32.6	33.9	1.1	1.2
Houston	8	64.8	64.9	38.4	39.3	1.2	1.1
San Antonio	7	64.0	61.8	39.8	42.2	0.8	0.7
Waco	4	67.4	64.6	27.4	29.4	1.0	1.0
All Others	19	59.0	57.6	33.0	35.5	1.4	1.2
Stores Grouped According to Type of Store:							
Department Stores (Annual Volume Over $500,000)	21	66.9	65.4	37.0	38.3	1.0	1.0
Department Stores (Annual Volume Under $500,000)	12	62.4	60.6	30.6	35.1	1.6	1.4
Dry Goods-Apparel Stores	6	61.3	59.9	32.4	32.1	1.4	1.7
Women's Specialty Shops	14	70.1	69.3	29.7	35.1	0.7	0.6
Men's Clothing Stores	18	67.9	66.3	34.4	35.8	1.6	1.3
Stores Grouped According to Volume of Net Sales During 1937:							
Over $2,500,000	11	67.2	66.8	40.2	40.4	0.9	0.9
$2,500,000 down to $1,000,000	11	64.7	61.7	36.4	38.2	1.0	1.0
$1,000,000 down to $500,000	10	61.6	59.9	39.3	39.0	1.1	1.1
$500,000 down to $100,000	30	63.0	60.7	33.4	35.9	1.8	1.7
Less than $100,000	9	58.0	58.7	38.3	38.3	3.1	2.7

NOTE: The ratios shown for each year, in the order in which they appear from left to right, are obtained by the following computations: (1) Credit sales divided by net sales. (2) Collections during the month divided by the total accounts unpaid on the first of the month. (3) Salaries of the credit department divided by credit sales.
The data are reported to the Bureau of Business Research by Texas retail stores.

PETROLEUM

Daily Average Production

(In Barrels)

	September 1938	September 1937	August 1938
Coastal Texas*	198,300	217,450	218,330
East Central Texas	89,850	116,900	97,790
East Texas	368,700	477,400	440,850
North Texas	70,450	73,850	74,870
Panhandle	65,250	78,950	72,660
Southwest Texas	212,600	269,100	237,520
West Central Texas	28,300	33,550	29,230
West Texas	188,100	223,000	220,100
STATE	1,221,550	1,490,200	1,390,950
UNITED STATES	3,232,250	3,656,850	3,361,610
Imports	141,464	157,893	138,371

*Includes Conroe.
NOTE: From American Petroleum Institute.
See accompanying map showing the oil producing districts of Texas.

Gasoline sales as indicated by taxes collected by the State Comptroller were: August, 1938, 111,719,000 gallons; August, 1937, 107,118,000 gallons; July, 1938, 110,603,000 gallons.

SEPTEMBER RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	September, 1938				Year 1938		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from September 1937	Percentage Change in Dollar Sales from August 1938	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year 1937
TEXAS	1,305	$17,153,959	−11.3	+11.5	917	$112,754,829	− 7.7
STORES GROUPED BY LINE OF GOODS CARRIED:							
APPAREL	150	2,930,093	−10.9	+33.2	117	17,313,578	− 1.1
Family Clothing Stores	36	280,868	−15.9	+43.6	25	1,462,709	− 6.8
Men's and Boys' Clothing	57	979,406	−10.8	+24.3	46	6,916,051	− 0.5
Shoe Stores	22	181,767	− 7.3	+71.7	19	1,125,636	− 1.4
Women's Specialty Shops	35	1,488,052	−10.4	+34.1	27	7,809,182	− 0.6
AUTOMOTIVE	152	3,050,522	−26.5	− 8.9	103	24,852,710	−19.4
Filling Stations	47	162,303	− 2.3	− 2.5	27	1,010,833	+ 1.5
Motor Vehicle Dealers	105	2,888,219	−27.5	− 9.3	76	23,841,877	−20.1
COUNTRY GENERAL AND FARMERS' SUPPLIES	100	651,148	−13.6	+ 0.7	84	4,175,072	−13.8
DEPARTMENT STORES	71	5,633,080	− 4.9	+33.2	61	38,168,362	− 1.1
DRUG STORES	164	540,154	− 3.8	+ 0.5	120	3,489,234	− 0.3
DRY GOODS AND GENERAL MERCHANDISE	15	66,635	−12.5	+23.8	3	57,463	− 1.2
Dry Goods	7	46,859	−14.4	+27.7	---	---	---
General Merchandise	3	7,502	− 6.7	+37.0	---	---	---
Variety Stores	5	12,274	− 8.3	+ 5.3	3	57,463	− 1.2
FLORISTS	40	40,311	+ 2.2	− 1.4	23	314,630	+ 1.0
FOOD	181	1,053,683	− 8.1	+ 1.2	136	7,065,889	− 6.1
Grocery Stores	51	202,791	− 7.8	+ 4.0	43	1,644,753	− 7.5
Grocery and Meat Stores	130	850,892	− 8.1	+ 0.6	93	5,421,136	− 5.7
FURNITURE AND HOUSEHOLD	65	935,800	− 6.3	− 2.0	44	5,734,616	−10.9
Furniture Stores	53	792,013	− 4.4	− 0.3	36	4,940,931	− 9.0
Household Appliance Stores	6	81,671	−28.3	−23.6	4	532,423	−25.3
Other Home Furnishings	6	62,116	+11.7	+14.9	4	261,262	−10.0
JEWELRY	54	198,874	−21.5	− 2.5	41	1,112,975	− 5.0
LUMBER, BUILDING, AND HARDWARE	274	1,910,267	− 4.4	− 3.8	162	9,711,674	− 9.2
Farm Implement Dealers	12	61,726	−34.8	+ 6.0	7	409,953	−33.2
Hardware Stores	74	391,125	− 9.5	− 0.3	46	2,100,242	−11.2
Lumber and Building Material Dealers	184	1,397,728	− 1.9	− 4.5	106	6,774,296	− 7.7
Heating and Plumbing Shops	4	59,688	+25.2	−17.1	3	427,183	+14.2
RESTAURANTS	29	115,770	− 4.2	+ 3.8	16	603,488	− 1.0
ALL OTHER STORES	10	27,622	−12.5	− 1.5	7	155,138	+ 5.1
TEXAS STORES GROUPED ACCORDING TO POPULATION OF CITY:							
All Stores in Cities of—							
OVER 100,000 POPULATION	307	9,488,883	− 8.1	+14.7	211	63,701,647	− 5.8
50,000–100,000 POPULATION	116	1,716,108	− 6.6	+18.3	83	10,319,129	− 3.7
2,500–50,000 POPULATION	557	4,414,336	−17.8	+ 7.1	394	29,572,422	−11.8
LESS THAN 2,500 POPULATION	325	1,534,632	−15.2	+ 0.1	229	9,161,631	−11.6

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, coöperating with the United States Department of Commerce.

BUILDING PERMITS

	September 1938	September 1937	August 1938	Third Quarter 1938	Third Quarter 1937
Abilene	$ 23,831	$ 53,320	$ 44,585	$ 97,361	$ 110,758
Amarillo	194,039	222,782	155,077	493,269	479,391
Austin	590,874	210,467	537,432	1,474,823	923,747
Beaumont	115,495	53,686*	132,538	359,020	266,359
Big Spring	39,135	26,419	40,610	110,985	51,604
Brownsville	18,602*	9,330	6,216*	39,763	40,415
Brownwood	11,285	1,400	600	28,585	2,875
Corpus Christi	177,760	228,685	209,640	538,640	505,435
Corsicana	8,302	3,250	29,204	64,476	21,359
Dallas	884,265	828,358	1,094,279	2,834,019	2,310,779
Del Rio	6,890	13,756	3,495	25,818	36,006
Denison	21,849	3,076	39,972	91,671	15,761
Denton	18,850	8,900	31,740	82,200	25,503
El Paso	144,040	121,271	200,500*	507,303	236,026
Fort Worth	324,627	288,026	433,052	1,402,343	951,071
Galveston	81,924	193,087*	250,951	436,561	329,426
Gladewater	1,450‡	†	7,510‡	†	†
Graham	3,102	34,350	10,030	29,917	77,425
Harlingen	23,725	44,372	35,735	107,776	122,122
Houston	1,820,210	1,009,430	1,670,000	5,040,530	3,818,915
Jacksonville	4,300	5,500	14,850	22,850	20,950
Longview	13,305*	28,520	9,100*	†	†
Lubbock	658,775	169,560	290,752	1,208,675	346,430
McAllen	48,605	55,675	22,660	103,630	138,150
Palestine	24,536	11,401	22,636	52,272	50,990
Pampa	29,575	25,800	19,475	52,200	58,415
Paris	11,675	18,270	8,185*	27,640	87,480
Plainview	11,400*	25,499	11,040	26,915	35,337
Port Arthur	109,913	52,434	101,121	390,890	193,084
San Angelo	15,510	10,714	21,950	96,720	69,782
San Antonio	164,372	225,608	413,483	1,099,816	790,817
San Benito	3,063‡	†	2,556‡	†	†
Sherman	94,768	9,672	33,374	178,213	44,830
Snyder	2,700	7,900	3,725	11,925	19,625
Sweetwater	14,195	16,870	22,550	†	†
Tyler	90,294	69,763	105,916	234,082	304,966
Waco	217,020	236,313	173,980	667,221	422,758
Wichita Falls	125,503	35,493	112,831	276,166	86,703
TOTAL	$ 6,145,251	$ 4,358,957	$ 6,313,284	$18,214,275	$12,995,294

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.
*Does not include public works.
†Not available.
‡Not included in totals.

COMMODITY PRICES

	Sept. 1938	Sept. 1937	Aug. 1938
WHOLESALE PRICES:			
U. S. Bureau of Labor Statistics (1926 = 100)	78.3	87.4	78.1
The Annalist (1926 = 100)	80.5	94.4	79.9
FARM PRICES:			
U. S. Department of Agriculture (1910–14 = 100)	95.0	118.0	92.0
U. S. Bureau of Labor Statistics (1926 = 100)	68.1	85.9	67.3
RETAIL PRICES:			
Food (U.S. Bureau of Labor Statistics, 1923–25 = 100)	78.7*	85.8	78.4
Department Stores (Fairchild's Publications, Jan. 1931 = 100)	89.0	96.3	89.0

*Preliminary.

STOCK PRICES

	Sept. 1938	Sept. 1937	Aug. 1938
Standard Indexes of the Securities Markets:			
419 Stocks Combined	86.0	106.4	89.5
347 Industrials	103.9	126.2	108.0
32 Rails	25.5	42.6	27.8
40 Utilities	72.2	89.2	75.0

NOTE: From Standards Statistics Co., Inc.

TEXAS COMMERCIAL FAILURES

	Sept. 1938	Sept. 1937	Aug. 1938*	Third Quarter 1938	Third Quarter 1937
Number	13	6	18	42	37
Liabilities‖	$164	$255	$121	$445	$1,553
Assets‖	$ 60	$ 80	$127	$284	$ 172
Average Liabilities per Failure‖	$ 13	$ 42	$ 7	$ 11	$ 16†

*Revised.
†Does not include figures for one firm with liabilities of $980,000.
‖In thousands.
NOTE: From Dun and Bradstreet, Inc.

LUMBER

(In Board Feet)

	September 1938	September 1937	August 1938
Southern Pine Mills:			
Average Weekly Production per unit	300,697	296,629	299,830
Average Weekly Shipments per unit	322,442	303,002	312,333
Average Unfilled Orders per Unit, End of Month	533,485	649,921	625,960

NOTE: From Southern Pine Association.

POSTAL RECEIPTS

	September 1938	September 1937	August 1938	Third Quarter 1938	Third Quarter 1937
Abilene	$ 17,120	$ 16,747	$ 15,875	$ 50,483	$ 49,019
Amarillo	30,945	30,110	30,885	93,230	87,584
Austin	67,369	51,065	68,582	201,709	156,675
Beaumont	25,563	25,417	24,838	75,464	72,252
Big Spring	5,644	5,243	5,776	11,686	15,820
Brownsville	5,475	4,486	4,995	16,097	15,287
Brownwood	5,983	5,665	5,618	17,626	16,440
Corpus Christi	22,453	21,065	24,002	70,650	67,340
Corsicana	5,314	5,139	5,007	16,085	14,648
Dallas	373,646	368,511	337,833	1,030,631	1,004,448
Del Rio	3,218	3,804	4,031	10,341	11,759
Denison	5,739	4,364	4,839	15,317	13,385
Denton	6,327	4,886	5,798	18,224	16,099
El Paso	42,412	40,689	45,161	130,736	125,436
Fort Worth	144,755	141,633	131,798	394,583	399,563
Galveston	27,223	25,242	29,775	85,897	80,071
Gladewater	2,509	2,801	2,916	9,020	8,235
Graham	2,237	2,191	2,517	7,416	6,836
Harlingen	5,097	4,792	5,481	16,159	15,607
Houston	225,642	223,122	220,617	663,711	649,477
Jacksonville	2,846	2,885	2,645	8,733	8,393
Longview	8,948	9,264	10,560	29,618	28,254
Lubbock	20,686	19,558	16,173	51,800	46,003
McAllen	3,429	3,445	3,525	11,008	10,505
Palestine	4,340	4,703	8,220	16,775	16,225
Pampa	5,714	6,044	5,484	17,515	19,170
Paris	6,392	6,727	4,493	17,174	16,873
Plainview	3,702	3,996	3,842	12,047	11,385
Port Arthur	12,284	10,667	12,913	36,687	33,236
San Angelo	11,299	11,096	10,550	32,966	31,444
San Antonio	108,955	114,016	115,882	336,433	335,535
Sherman	7,758	8,071	6,491	21,094	21,853
Sweetwater	4,576	5,974	4,925	13,832	14,200
Tyler	15,048	14,218	15,793	46,457	44,102
Waco	34,187	33,849	33,323	99,732	94,655
Wichita Falls	22,800	20,159	25,827	72,324	63,880
TOTAL	$ 1,297,635	$ 1,261,644	$ 1,256,990	$ 3,759,260	$ 3,621,694

NOTE: Compiled from reports from Texas chambers of commerce to the Bureau of Business Research.

CONSUMPTION OF ELECTRIC POWER IN TEXAS

Power Consumed
(In Thousands of K.W.H.)

	Sept. 1938	Sept. 1937	Aug. 1938	Third Quarter 1938	Third Quarter 1937	Percentage Change: Sept. 1938 from Sept. 1937	Sept. 1938 from Aug. 1938	Third Quarter 1938 from Third Quarter 1937
Commercial	56,375	51,005	57,041	166,830	149,216	+10.5	− 1.2	+11.8
Industrial	106,449	115,983	105,062	318,513	351,079	− 9.2	+ 1.3	− 9.3
Residential	38,334	34,290	36,732	110,313	99,643	+11.8	+ 4.4	+10.7
All Other	29,650	32,637	30,905	90,790	91,662	− 9.2	− 4.1	− 1.0
TOTAL	230,808	233,915	229,740	686,446	691,600	− 1.3	+ 0.5	− 0.7

NOTE: Prepared from reports from 16 electric power companies to the Bureau of Business Research.

TEXAS CHARTERS

	September 1938	September 1937	August 1938	Third Quarter 1938	Third Quarter 1937
Domestic Corporations—					
Capitalization‖	$1,146	$2,034	$3,606*	$6,272	$8,211
Number	103	103	90*	295	382
Classification of new corporations:					
Banking-Finance	2	8	1	7	16
Manufacturing	18	17	20	57	67
Merchandising	29	27	23*	67	104
Oil	21	17	19	72	80
Public Service	—	2	1	2	4
Real Estate-Building	7	7	7	22	30
Transportation	3	1	3	9	4
All Others	23	24	16*	59	77
Number capitalized at less than $5,000	44	34	41	128	139
Number capitalized at $100,000 or more	1	4	3	7	19
Foreign Corporations (Number)	19	31	16	56	105

*Revised.
‖In thousands.
NOTE: Compiled from records of the Secretary of State.

SEPTEMBER CARLOAD MOVEMENT OF POULTRY AND EGGS

Destination*	Cars of Poultry: Live Chickens Sept. 1938	Live Chickens Sept. 1937	Live Turkeys Sept. 1938	Live Turkeys Sept. 1937	Dressed Chickens Sept. 1938	Dressed Chickens Sept. 1937	Dressed Turkeys Sept. 1938	Dressed Turkeys Sept. 1937	Cars of Eggs† Sept. 1938	Cars of Eggs† Sept. 1937
Shipments from Texas Stations										
TOTAL	—	3	—	—	10	31	—	—	42.7	38.0
Intrastate	—	—	—	—	—	1	—	—	6.0	12.0
Interstate	—	3	—	—	10	30	—	—	36.7	26.0
Origin — Receipts at Texas Stations										
TOTAL	—	—	—	—	—	—	—	—	1 15.5	16.0
Intrastate	—	—	—	—	—	—	—	—	1 10.0	11.0
Interstate	—	—	—	—	—	—	—	—	5.5	5.0

*The destination above is the first destination as shown by the original waybill. Changes in destination brought about by diversion orders are not shown.
†Powdered eggs and canned frozen eggs are converted to a shell egg equivalent.
NOTE: These data are furnished the United States Department of Agriculture by railroad officials through agents at all stations which originate and receive carload shipments of poultry and eggs. The data are compiled by the Bureau of Business Research.

EMPLOYMENT AND PAY ROLLS IN TEXAS

ESTIMATED EMPLOYMENT AND PAY ROLLS IN MANUFACTURING INDUSTRIES, SEPTEMBER, 1938, COMPARED WITH AUGUST, 1938, AND SEPTEMBER, 1937

	Estimated Number of Workers Employed			Estimated Amount of Weekly Pay Roll		
	September 1938*	August 1938†	September 1937	September 1938*	August 1938†	September 1937
All Manufacturing Industries	116,288	115,627	130,581	$2,520,253	$2,543,598	$2,857,159
Food Products						
Baking	6,310	6,152	6,680	139,194	136,344	137,280
Beverages, Carbonated	1,941	2,045	1,650	30,875	31,234	27,952
Confectionery	933	650	974	11,514	8,066	11,354
Flour Milling	1,661	1,605	1,920	38,143	36,368	46,792
Ice Cream	470	481	590	10,290	10,532	12,177
Meat Packing	4,003	3,918	4,561	103,226	99,313	120,405
Textiles						
Cotton Textile Mills	6,675	6,401	6,734	54,692	53,625	57,139
Men's Work Clothing	3,443	3,205	3,837	28,704	26,914	33,764
Forest Products						
Furniture	1,586	1,547	1,925	26,111	25,549	33,552
Planing Mills	2,209	1,934	2,142	34,646	31,899	37,287
Saw Mills	9,781	9,534	10,782	129,106	125,969	144,051
Paper Products	593	584	603	10,594	9,977	10,175
Printing and Publishing						
Commercial Printing	1,792	1,893	1,809	49,442	50,431	49,624
Newspaper Publishing	3,912	3,856	3,995	114,090	109,882	115,505
Chemical and Allied Products						
Cottonseed Oil Products	1,577	1,459	3,138	20,699	19,423	37,011
Petroleum Refining	19,116	19,516	20,845	687,114	707,781	727,298
Stone and Clay Products						
Brick and Tile	839	831	786	12,757	13,293	11,124
Cement	1,473	1,309	1,445	27,986	23,846	31,742
Iron and Steel Products						
Foundries, Machine Shops	9,618	10,646	11,895	244,723	269,846	330,608
Steam Railroad Repair Shops	4,390	4,435	6,284	120,644	122,818	169,328
Structural and Ornamental Iron	1,333	1,174	1,283	27,069	26,260	33,806

CHANGES IN EMPLOYMENT AND PAY ROLLS IN NONMANUFACTURING INDUSTRIES, SEPTEMBER, 1938

	Employment Percentage Change from		Pay Rolls Percentage Change from	
	August 1938	September 1937	August 1938	September 1937
Crude Petroleum Production	− 2.5	− 0.3	− 1.5	− 0.2
Quarrying	+ 3.4	− 5.2	+ 4.7	− 5.6
Public Utilities	− 0.2	− 5.5	− 1.3	+ 0.5
Retail Trade	+ 7.1	− 7.0	+ 6.2	− 7.5
Wholesale Trade	+ 1.5	− 5.4	− 0.4	− 1.7
Cotton Compresses	+73.9	−27.9	+59.6	−46.9
Dyeing and Cleaning	+ 3.8	− 2.5	+ 8.5	− 2.5
Hotels	+ 0.3	− 0.9	+ 0.4	+ 1.6
Laundries	+ 0.3	− 3.8	+ 1.3	− 1.4

CHANGES IN EMPLOYMENT AND PAY ROLLS IN SELECTED CITIES AND FOR THE STATE, SEPTEMBER, 1938

	Employment Percentage Change from		Pay Rolls Percentage Change from	
	August 1938	September 1937	August 1938	September 1937
Abilene	+ 3.8	− 2.1	+ 5.8	− 4.6
Amarillo	− 2.1	−27.8	− 5.8	−33.8
Austin	+ 5.6	+ 1.0	+ 2.2	− 6.1
Beaumont	− 0.8	−17.5	− 3.9	−18.3
Dallas	+ 3.7	− 4.4	+ 3.1	− 5.5
El Paso	+ 0.8	−11.6	− 1.7	−17.9
Fort Worth	+ 3.9	− 6.4	+ 4.0	− 5.6
Galveston	+ 6.4	− 5.8	+ 5.1	−12.2
Houston	+ 2.9	− 5.3	+ 1.6	− 6.3
Port Arthur	− 2.4	−13.7	− 4.5	−11.3
San Antonio	+ 3.1	+ 1.8	+ 2.4	− 0.3
Sherman	− 2.6	− 8.9	− 4.9	− 6.0
Waco	+ 6.8	− 1.4	+ 3.8	+ 2.3
Wichita Falls	− 8.6	− 5.5	− 2.1	+ 6.5
STATE	+ 1.9	− 8.3	+ 0.4	− 7.2

*Preliminary.

†Revised.

Prepared from reports from representative Texas establishments to the Bureau of Business Research, coöperating with the United States Bureau of Labor Statistics.

SEPTEMBER RETAIL SALES OF INDEPENDENT STORES IN TEXAS

	September, 1938				Year-to-date 1938		
	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Sept. 1937	Percentage Change in Dollar Sales from Aug. 1938	Number of Firms Reporting	Dollar Sales	Percentage Change in Dollar Sales from Year-to-date 1937
TOTAL TEXAS	1,305	$17,153,959	−11.3	+11.5	917	$112,754,829	− 7.7
TEXAS STORES GROUPED BY PRODUCING AREAS:							
DISTRICT 1-N	82	547,656	−25.3	+ 0.3	52	3,340,838	−19.4
Amarillo	15	177,701	−20.3	+ 7.2	10	1,084,871	−11.8
Pampa	17	166,690	−35.5	− 4.2	10	1,055,342	−32.7
Plainview	14	82,601	−18.5	− 4.6	10	455,388	− 7.3
All Others	36	120,664	−19.7	+ 0.9	22	745,237	−13.1
DISTRICT 1-S	26	452,683	−14.1	− 7.1	18	3,350,409	− 1.7
Big Spring	8	75,515	−40.9	−14.4	6	183,599	− 3.8
Lubbock	13	347,812	− 6.8	− 5.8	9	3,008,368	− 0.5
All Others	5	29,356	+12.4	− 0.7	3	158,442	−18.5
DISTRICT 2	116	744,112	−12.0	+13.4	79	4,895,017	− 1.5
Abilene	16	194,976	−15.8	+15.6	13	1,289,730	− 1.6
Childress	3	16,789	+27.7	+ 5.9	—	—	—
Snyder	6	32,775	+ 4.3	+ 3.0	4	205,433	+ 4.2
Vernon	6	34,824	− 1.0	+10.4	5	249,448	+ 4.7
Wichita Falls	21	203,002	− 6.9	+16.3	7	1,133,767	+ 2.4
All Others	64	261,746	−17.2	+11.9	50	2,017,332	− 4.8
DISTRICT 3	41	294,126	−15.6	+ 4.0	22	917,467	−19.3
Brownwood	8	39,653	− 0.2	− 2.2	5	228,038	−31.2
Eastland	8	19,864	+12.1	+ 4.0	4	93,797	− 2.3
Stephenville	5	31,619	−11.9	+24.1	3	211,745	− 9.5
All Others	20	202,990	−20.4	+ 2.6	10	383,887	−19.3
DISTRICT 4	323	5,605,847	− 9.4	+17.1	225	34,741,315	− 6.5
Cleburne	12	53,502	−12.3	+14.5	8	257,173	− 9.2
Commerce	5	14,196	+ 0.6	+41.0	3	71,807	+ 2.4
Corsicana	9	64,195	−10.0	+20.4	9	529,312	− 8.4
Dallas	60	3,217,704	−10.0	+21.3	45	18,692,074	− 3.8
Denison	8	34,926	−13.4	+ 1.9	7	286,824	− 5.3
Ennis	7	23,334	−33.5	− 6.1	5	191,136	−20.2
Fort Worth	62	1,166,398	− 4.7	+ 6.9	34	8,269,404	− 7.0
Gainesville	5	24,476	− 8.6	+19.5	3	149,306	− 3.4
Sherman	7	46,629	− 8.3	+11.9	6	337,612	− 6.7
Taylor	7	47,360	−15.6	+10.4	6	353,086	−10.1
Temple	14	85,408	−13.3	+35.2	10	499,269	− 7.5
Waco	31	370,763	− 1.6	+38.0	19	2,077,839	− 7.0
All Others	96	456,866	−17.8	+ 4.9	70	3,026,473	−17.7
DISTRICT 5	123	1,074,004	−19.5	+11.2	95	7,303,063	−14.2
Bryan	9	91,198	+ 8.8	+70.1	9	505,376	+ 0.7
Henderson	5	98,635	−20.0	+16.2	4	506,403	−23.1
Longview	9	50,710	−37.9	− 9.9	8	489,448	−14.9
Marshall	13	65,392	−10.9	+14.0	9	405,574	− 9.0
Tyler	19	245,765	−21.7	+ 1.6	15	1,983,507	−15.3
All Others	68	522,304	−20.6	+10.6	50	3,412,755	−14.5
DISTRICT 6	44	1,100,446	−12.3	+10.9	37	8,829,029	−11.5
El Paso	32	1,010,829	−10.1	+13.2	28	8,163,231	−11.5
All Others	12	89,617	−30.8	−10.0	9	665,798	−11.2
DISTRICT 7	66	436,542	− 9.3	+14.1	47	2,743,970	−13.4
Brady	8	42,164	−10.4	−16.7	6	294,831	−15.7
San Angelo	16	206,190	−10.7	+30.7	14	1,380,065	−14.8
All Others	42	188,188	− 7.5	+ 8.0	27	1,069,074	−10.9
DISTRICT 8	233	2,793,693	− 9.7	+10.0	161	20,067,985	− 7.8
Austin	24	539,298	+ 4.6	+36.6	22	3,833,270	− 0.5
Beeville	5	70,834	−16.2	+23.2	3	445,105	−15.2
Corpus Christi	12	53,534	−24.5	− 1.8	7	393,129	−16.0
Cuero	9	32,672	+ 1.2	+ 6.2	7	238,006	+ 1.5
Lockhart	9	64,616	−20.9	+20.5	5	324,431	−16.8
San Antonio	85	1,569,375	− 9.6	+ 5.9	51	11,536,220	− 8.2
San Marcos	6	31,767	−44.7	−12.2	6	309,205	−21.3
Yoakum	6	29,767	−32.2	+ 8.3	4	193,656	−11.6
All Others	77	401,830	−15.0	− 0.4	57	2,794,963	−10.5
DISTRICT 9	178	3,666,846	− 7.6	+11.6	128	23,267,946	− 3.2
Bay City	5	33,727	−26.3	− 3.3	3	230,102	−19.6
Beaumont	23	304,442	−14.2	+11.4	17	2,004,594	+ 1.0
Galveston	19	220,907	−24.4	−11.1	11	1,149,051	−13.2
Houston	68	2,524,577	− 5.4	+17.0	53	17,040,718	− 2.8
Port Arthur	19	280,698	− 5.9	+ 5.7	14	1,254,375	− 4.8
Victoria	6	30,098	−21.2	−19.1	5	290,220	+ 3.3
All Others	38	272,397	+ 1.1	+ 0.8	25	1,298,886	− 0.9
DISTRICT 10	73	438,004	−23.4	− 4.0	54	3,297,097	−16.5
Brownsville	15	77,735	−30.8	− 9.9	12	641,728	−18.0
Harlingen	13	95,190	−25.5	− 8.2	10	771,576	−24.9
Laredo	6	72,461	−33.4	+ 1.5	4	693,599	−22.6
All Others	39	192,618	−13.4	− 1.1	28	1,190,194	− 4.4

*Not available.

See map on page 13, September 28, 1938 issue, showing crop reporting districts of Texas.

NOTE: Prepared from reports from independent retail stores to the Bureau of Business Research, cooperating with the United States Department of Commerce.

BASIC STATISTICS IN THE COTTON INDUSTRY

Year	Section 1 Commercial Production (In Thousands of Bales*)			Section 2 U. S. Mill Consumption (In Thousands of Bales†)			Section 3 Foreign Mill Consumption (In Thousands of Bales†)			Section 4 World Mill Consumption (In Thousands of Bales†)		
	United States	Foreign Countries	Total	U. S. Cotton	Foreign Cotton	Total	U. S. Cotton	Foreign Cotton	Total	U. S. Cotton	Foreign Cotton	Total
1920–21	13,440	6,225	19,665	4,677	216	4,893	5,591	6,421	12,012	10,268	6,637	16,905
1921–22	7,954	7,380	15,334	5,613	297	5,910	6,596	7,484	14,080	12,209	7,781	19,990
1922–23	9,762	8,197	17,959	6,322	344	6,666	6,124	8,535	14,659	12,449	8,876	21,325
1923–24	10,140	18,829	18,969	5,353	328	5,681	5,564	8,737	14,301	10,917	9,065	19,982
1924–25	13,628	10,197	23,825	5,917	276	6,193	7,394	9,055	16,449	13,311	9,331	22,642
1925–26	16,104	10,555	26,659	6,176	280	6,456	7,834	9,640	17,474	14,010	9,920	23,930
1926–27	17,977	10,064	28.041	6,880	309	7,189	8,868	9,811	18,679	15,748	10,121	25,869
1927–28	12,956	10,643	23,599	6.535	299	6,834	9,041	9,410	18,451	15,576	9,709	25,285
1928–29	14,478	11,331	25,809	6,778	313	7,091	8.448	10,243	18,691	15.226	10,556	25,782
1929–30	14,825	12,105	26,930	5,803	303	6,106	7.218	11,554	18,772	13,021	11,857	24,878
1930–31	13,932	11,548	25,480	5,084	179	5,263	5,972	11,167	17,139	11.056	11,346	22,402
1931–32	17,096	9,700	26.796	4,744	122	4.866	7,784	10,246	18.030	12,528	10,368	22,896
1932–33	13,002	10,924	23.926	6,004	133	6,137	8,381	10,468	18,849	14,385	10,601	24.986
1933–34	13,047	13,460	26,507	5,553	147	5,700	8.227	11,397	19,624	13,780	11,544	25,324
1934–35	9,637	13,437	23.074	5,241	120	5,361	5.965	13,872	19,837	11,206	13,992	25,198
1935–36	10,638	16,370	27.008	6.220	131	6,351	6,282	14,994	21,276	12,502	15,125	27,627
1936–37	12,399	18,063	30.462	7,768	182	7,950	5,325	17,545	22,870	13.090	17,730	30.820
1937–38	18,746§	19,550‖	38,296	5,615¶	135¶	5,750¶	5,308¶	15,111¶	20,419¶	10,923¶	15,246¶	26,169¶

	Section 5 Carry-over as of August 1 (In Thousands of Bales†)					Section 6 Acreage Planted (In Thousands of Acres‡)	Section 7 Average Middling ⅞ Spot Prices of American Cotton		
	American Cotton			All Cottons			New Orleans Exchange		Liverpool Exchange
	United States	Foreign Countries	Total	United States	Foreign Countries	Total	(In Cents per Lb.)	(In Grains of Gold per Lb.)	(In Grains of Gold per Lb.)
1920–21	3,541	2,797	6,338	3,824	7,361	11,185	35,872	16.65	.....	.....
1921–22	6,724	2,950	9,674	6,896	7,373	14,269	29,716	17.91	.....	.....
1922–23	3,156	2,524	5,680	3,322	7,172	10,494	32,176	25.91	.....	.....
1923–24	2,129	1,189	3,318	2,325	5,246	7,571	37,000	30.33	.....	.....
1924–25	1,439	1,272	2,711	1,556	5,058	6,614	40,690	24.21	.....	.....
1925–26	1,503	1,877	3,380	1,610	6,338	7,948	45,968	19.70	.....	.....
1926–27	3,413	2,088	5,501	3,542	6,931	10,473	45,839	14.83	.....	.....
1927–28	3,662	4,183	7,845	3,762	8,892	12,654	39,471	19.99	4.642	5.302
1928–29	2,425	2,781	5,206	2,536	7,999	10,535	43,737	18.98	4.407	4.961
1929–30	2,131	2,386	4,517	2,313	8,228	10,541	44,448	16.18	3.757	4.296
1930–31	4,322	1,865	6,187	4,530	7,362	11,892	43,329	10.06	2.336	2.680
1931–32	6,263	2,713	8,976	6,370	8,438	14,808	39,110	6.20	1.440	1.750
1932–33	9,580	3,683	13,263	9,678	8,658	18,336	36,494	7.32	1.700	1.891
1933–34	8,081	3,728	11,809	8,164	8,952	17,116	40,248	10.92	1.595	1.783
1934–35	7,648	3,053	10,701	7,744	9,796	17,540	27,860	12.44	1.706	1.961
1935–36	7,137	1,904	9,041	7,208	7,864	15,072	27,888	11.65	1.598	1.861
1936–37	5,336	1,662	6,998	5,409	8,240	13,649	30,903	12.80	1.755	2.016
1937–38	4,387	1,848	6,235	4,499	8,814	13,313	34,471	8.76	1.201	1.417

*478-Lb. net bales.
†U. S. Cotton in running bales, counting round bales as half bales; Foreign Cotton in 478-Lb. net bales.
‡Acreage in cultivation July 1.
Section 1. *Cotton Production and Distribution*, U. S. Department of Commerce.
§U. S. Department of Agriculture estimate of December 8, 1937.
‖Carside's estimate of foreign production.
Section 2. *Cotton Production and Distribution*, U. S. Department of Commerce.
¶International Federation of Cotton Statistics.
Section 3. Column 1, *Cotton Year Book*, New York Cotton Exchange; Column 2, by deduction from Columns 3 and 1; Column 3, *Cotton Production and Distribution*, U. S. Department of Commerce.
Section 4. Columns 1 and 3, *Cotton Production and Distribution*, U. S. Department of Commerce; Column 2, by deduction from Columns 3 and 1.
Section 5. *Basic Data*, New York Cotton Exchange Service.
Section 6. U. S. Department of Agriculture, Bureau of Agricultural Economics, Crop Reporting Board.
Section 7. Compiled by the Bureau of Business Research from price quotations taken from the *Dallas Morning News* and the *Liverpool Cotton Association Weekly Circular*.

BANKING STATISTICS

(In Millions of Dollars)

	September, 1938		September, 1937		August, 1938	
	Dallas District	United States	Dallas District	United States	Dallas District	United States
DEBITS to individual accounts	760	29,215	825	33,317	686	26,999
Condition of reporting member banks on—	September 28, 1938		September 29, 1937		August 31, 1938	
ASSETS:						
Loans and investments—total	510	21,240	511	22,026	494	20,861
Loans—total	236	8,241	245	10,004	227	8,270
Commercial, industrial, and agricultural loans	152	3,891	156	4,810	143	3,886
Open market paper	2	344	4	472	2	339
Loans to brokers and dealers in securities	2	649	3	1,227	2	690
Other loans for purchasing or carrying securities	14	576	15	682	14	577
Real estate loans	20	1,161	21	1,165	21	1,159
Loans to banks	1	118	.	97	1	112
Other loans	45	1,502	46	1,551	44	1,507
U.S. Government obligations	184	8,111	188	7,903	172	7,789
Obligations fully guaranteed by U.S. Government	36	1,675	28	1,131	42	1,655
Other securities	54	3,213	50	2,988	53	3,147
Reserve with Federal Reserve Bank	105	6,694	114	5,488	101	6,685
Cash in vault	11	426	11	323	10	386
Balances with domestic banks	208	2,335	154	1,737	210	2,457
Other assets—net	26	1,232	29	1,285	26	1,282
LIABILITIES:						
Demand deposits—adjusted	408	15,508	390	14,864	406	15,388
Time deposits	133	5,180	127	5,293	132	5,210
U.S. Government deposits	31	581	19	644	25	411
Inter-bank deposits:						
Domestic banks	200	5,799	194	4,998	191	5,958
Foreign banks	....	448	1	569	....	335
Borrowings	....	....	....	4	....	....
Other liabilities	6	750	8	876	5	705
Capital account	82	3,661	80	3,611	82	3,664

NOTE: From Federal Reserve Board.

Debits for the Dallas Federal Reserve District for the third quarter of 1938 were $2,359,406,000 as compared with $2,602,789,000 for the same period of 1937. Debits for all Federal Reserve Districts for the third quarter of 1938 were $94,787,248,000 as compared with $109,485,870,000 for the same period of 1937.

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